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RECORDATION NO. 9841 Filed 1425

NOV 16 1978 - 25 PM
WASHINGTON
NEW YORK
HARRISBURG

MORGAN, LEWIS & BOCKIUS

COUNSELORS AT LAW

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PHILADELPHIA, PENNSYLVANIA 19109

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9841
RECORDATION NO. 9841 Filed 1425

NOV 16 1978 - 25 PM
LOS ANGELES
MIAMI

RECORDATION NO. 9841 Filed 1425

NOV 16 1978 - 25 PM November 15, 1978

INTERSTATE COMMERCE COMMISSION

Robert L. Oswald, Secretary
Interstate Commerce Commission
12th and Constitution Avenues
Washington, DC 20423

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INTERSTATE COMMERCE COMMISSION

ICC Washington, D. C.

Dear Mr. Oswald:

In accordance with Section 20c of the Interstate Commerce Act and the regulations of the Interstate Commerce Commission thereunder the following documents are herewith presented for recordation:

1. Conditional Sale Agreement, dated as of October 31, 1978.

Vendor: Whittaker Corporation
(Berwick Forge and Fabricating Division)
P. O. Box 188
West Ninth Street
Berwick, PA 18603

Purchaser: Hillman Manufacturing Company
P. O. Box 510
Brownsville, PA 15417

Guarantor: Wilmington Securities, Inc.
One Customs House Square
Wilmington, DE 19801

2. Management Agreement (in the nature of a lease or bailment), dated as of October 31, 1978.

Owner (lessor):
(bailor): Hillman Manufacturing Company

Manager (lessee):
(bailee): Detroit and Mackinac Railway Company
120 Oak Street
Tawas City, MI 48763

3. Management Agreement Assignment, dated as of October 31, 1978.

Assignor: Hillman Manufacturing Company

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I.C.C.
OPERATION BR.

Angela M. Oswald
C. Oswald

MORGAN, LEWIS & BOCKIUS

Robert L. Oswald, Secretary

-2-

November 15, 1978

Assignee: The Provident Bank, Cincinnati,
Ohio, as Agent
108 East Fourth Street
Cincinnati, OH 45202

4. Agreement and Assignment, dated as of October 31,
1978.

Assignor: Whittaker Corporation
(Berwick Forge and Fabricating Division)

Assignee: The Provident Bank, Cincinnati,
Ohio, as Agent

A general description of the Equipment covered by these
documents is as follows:

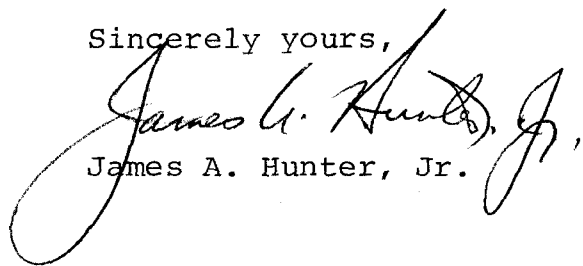
<u>Type</u>	<u>A.A.R. Mechanical Designation</u>	<u>Number of Units</u>	<u>Marked</u>	<u>Numbers Inclusive</u>
70 Ton, 50'-6" General Purpose Boxcars	"XM"	250	Detroit & Mackinac Railway	DM10001- DM10250

Enclosed is our check in payment of the recordation
fee. To the best of my knowledge the enclosed documents have not
previously been filed with the Interstate Commerce Commission.

This firm is acting as special Pennsylvania counsel
for the Vendor in connection with this transaction. After re-
cording a counterpart original of these documents, please return
the remaining copies, stamped with your recordation number, to
the individual bearing this letter and presenting them for
recordation.

Thank you for your assistance.

Sincerely yours,


James A. Hunter, Jr.

JAH/ap

Enclosures

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NOV 16 1978 - 3 25 PM

INTERSTATE COMMERCE COMMISSION

MANAGEMENT AGREEMENT ASSIGNMENT

DATED AS OF OCTOBER 31, 1978

FROM

HILLMAN MANUFACTURING COMPANY

TO

THE PROVIDENT BANK, CINCINNATI, OHIO
AS AGENT

(COVERING 250 GENERAL PURPOSE BOX CARS)

Filed and recorded with the Interstate Commerce Commission
pursuant to Section 20c of the Interstate Commerce Act on November , 1978
at _____ recordation number _____.

MANAGEMENT AGREEMENT ASSIGNMENT dated as of October 31, 1978 given by HILLMAN MANUFACTURING COMPANY, a Pennsylvania corporation (hereinafter called the "Vendee"), to THE PROVIDENT BANK, as Agent (hereinafter called the "Agent") for GREAT AMERICAN INSURANCE COMPANY and STONEWALL INSURANCE COMPANY (hereinafter called individually "Investor" and collectively the "Investors").

WHEREAS, WHITTAKER CORPORATION (BERWICK FORGE AND FABRICATING DIVISION) (hereinafter called the "Builder"), WILMINGTON SECURITIES, INC., a Delaware corporation (hereinafter called the "Guarantor") and the Vendee, have entered into a conditional sale agreement dated as of the date hereof (hereinafter called the "Conditional Sale Agreement") covering the construction, sale and delivery, on the conditions therein set forth, by the Builder and the purchase by the Vendee of the railroad equipment described in Annex A to the Conditional Sale Agreement (said equipment being hereinafter called collectively the "Equipment" or "Units" and individually a "Unit"); and the Vendee is agreeing with Detroit and Mackinac Railway Company, a Michigan corporation (hereinafter called the "Manager") to provide to the Manager the Equipment for use, maintenance and management thereof pursuant to a Management Agreement dated as of the date hereof (hereinafter called the "Management Agreement");

WHEREAS, concurrently with execution of this Management Agreement Assignment, the Agent is acquiring, pursuant to an agreement and assignment dated as of the date hereof (hereinafter called the "Assignment"), the security title, rights, and interests of the Builder under the Conditional Sale Agreement in the Units, all upon and subject to the terms and conditions of a finance agreement (hereinafter called the "Finance Agreement") dated the date hereof between the Investors and the Agent:

NOW, THEREFORE, WITNESSETH:

That in consideration of the sum of One Dollar (\$1.00) and other good and valuable consideration paid by the Agent to the Vendee, the receipt of which is hereby acknowledged, the execution and delivery of the Finance Agreement and the Assignment by the Agent, and the mutual covenants herein contained:

SECTION 1. The Vendee hereby assigns, transfers, and sets over unto the Agent the Management Agreement and all of its rights, powers, privileges, and remedies thereunder; provided, however, so long as no Declaration of Default (as defined in the Conditional Sale Agreement) under the Conditional Sale Agreement nor Owner Default (as defined in the Management Agreement) under the Management Agreement has occurred and is continuing, the Vendee is empowered to give any notice of an Event of Default under the Management Agreement to the Manager and/or to terminate said Management Agreement pursuant to its terms; and further, provided that so long as none of (i) a Declaration of Default (as defined in the Conditional Sale Agreement) under the Conditional Sale Agreement has occurred and is continuing, (ii) an Event of Default (as defined in the Management Agreement) under the Management Agreement has occurred and continued for thirty (30) days, and (iii) an Owner Default (as defined in the Management Agreement) under the Management Agreement has occurred and is continuing, the Agent will not give notice of an Event of Default under the Management Agreement to the Manager and/or terminate the Management Agreement pursuant to its terms.

SECTION 2. Anything herein contained to the contrary notwithstanding, the Vendee shall, so long as there is no existing Declaration of Default under the Conditional Sale Agreement, or Owner Default under the Management Agreement, be entitled to exercise all of its rights under the Management Agreement to enforce the obligation of the Manager to make the payments provided for under the Management Agreement, including the termination of the rights of the Manager under the Management Agreement.

SECTION 3. Anything herein contained to the contrary notwithstanding, the Vendee shall remain fully liable under the Management Agreement to perform all of the obligations assumed by it thereunder, and the Agent, its successors or assigns, shall have no obligation or liability under the Management Agreement by reason of or arising out of this Assignment of Management Agreement, nor shall the Agent, its successors, or assigns, be required or obligated in any manner to perform or fulfill any obligation of the Vendee under or pursuant to the Management Agreement, or to make any payment, or to make any inquiry as to the nature or sufficiency of any payment received by it, its successors or assigns, or to press or file any claim or to take any other action to collect or enforce the payment of any amounts which may have been assigned to it, its successors or assigns, or to which it, its successors or assigns, may have been entitled at any time or times, provided that the Agent shall have first fully informed the Vendee promptly in writing of any such matters of which it has knowledge;

all subject, however, to the provisions of Section 31 of the Management Agreement and the last paragraph of Article 16 of the Conditional Sale Agreement.

SECTION 4. The rights hereby assigned include, without limitation thereto, the right of the Vendee to perform the Management Agreement at any time or from time to time and the right to receive all moneys due and to become under the Management Agreement, and such rights may be further assigned to another person or persons, in connection with the enforcement of the pledge thereof, and the obligations of the Vendee under the Management Agreement may be performed by the Agent or its successors or assigns, without releasing the Vendee therefrom provided that any subsequent assignee is a bank or trust company of the United States with assets of at least \$35,000,000.

SECTION 5. The Vendee does hereby constitute the Agent, its successors or assigns, its true and lawful attorney with full power (in the name of the Vendee or otherwise) to ask, require, demand, receive, compound, and give acquittance for and all moneys and claims for moneys due or to become due under or arising out of the Management Agreement, to draw any checks or other instruments or orders in connection therewith and to file any claims or take any action or institute any proceedings which the Agent, its successors, or assigns, may deem to be necessary or advisable in the premises, all moneys received pursuant to this Management Agreement Assignment to be applied as herewith provided, all subject, however, to the second proviso set forth in Section 1 hereof.

SECTION 6. All sums payable to the Vendee under the Management Agreement which are hereby assigned, whether as rental payments, mileage charges, straight car hire payments or otherwise, shall be paid by the Manager directly to the Agent, its successors or assigns. All sums paid to the Agent, its successors or assigns, by the Manager by virtue of this Management Agreement Assignment shall be held or applied by the Agent, its successors or assigns, in accordance with the applicable provisions of the Finance Agreement and Conditional Sale Agreement to satisfy the obligations of the Vendee; provided, that the Agent shall promptly forward to the Vendee all sums expressly payable to the Vendee under such agreements.

SECTION 7. The Vendee agrees that any time and from time to time, upon the written request of the Agent, its successors or assigns, the Vendee will promptly and duly execute and deliver any and all such further instruments and documents as the Agent, its successors or assigns, may reasonable request in obtaining the full benefits of this Management Agreement Assignment and of the rights and powers herein granted.

SECTION 8. The Vendee does hereby warrant and represent that it has not assigned or pledged, and hereby covenants that it will not assign or pledge, so long as this Management Agreement Assignment shall remain in effect, any of its rights, titile or interest in or to the Management Agreement anyone other than the Agent, its successors or assigns and that it will not take or omit to take any action, the taking or ommission of which might result in the alteration, amendment, modification, or impairment of the Management Agreement or this Management Agreement Assignment or of any of the rights created by any of such instruments except as expressly provided in the Management Agreement. The Vendee does hereby ratify and confirm the Management Agreement and does warrant and represent that such Management Agreement is in full force and effect as to it, and that the Vendee is not default thereunder.

SECTION 9. The terms of this Management Agreement Assignment and all the rights and obligations hereunder shall be governed by the laws of the Commonwealth of Pennsylvania; provided, however, that the parties shall be entitled to all the rights conferred by Section 20c of the Interstate Commerce Act, such additional rights arising out of the filing, recording, or depositing of the Management Agreement and this Management Agreement Assignment as shall be conferred by the laws of the several jursidictions in which the Management Agreement or this Management Agreement Assignment shall be filed, recorded, or deposited, or in which any unit shall be located, and any rights arising out of the markings on the Units.

SECTION 10. This Management Agreement Assignment may be executed in any number of counterparts, but the counterpart delivered to the Interstate Commerce Commission for recording and subsequently redelivered to the Agent shall be deemed to be the original counterpart and all other counterparts shall be deemed duplicates thereof. Although this Management Agreement Assignment is dated as of the date first above written for convenience, the actual date or dates of execution hereof by the parties hereto is or are, respectively, the date or dates stated in the acknowledgements hereto annexed.

SECTION 11. This Management Agreement Assignment shall take effect immediately upon the execution hereof and the powers and authorities granted to the Agent, its successors or assigns, herein, having been given for valuable consideration, are hereby declared to be irrevocable; provided, however, that when all of the Conditional Sale Indebtedness (as defined in the Conditional Sale Agreement) and all other sums payable under the Conditional Sale Agreement have been paid or discharged in accordance with the terms thereof, and all other covenants and agreements contained therein shall have been performed, all right, title and interest herein assigned shall revert to the Vendee and this Management Agreement Assignment shall terminate unless all of the Vendee's right, title and interest in and to the Equipment shall have terminated following a Declaration of Default under the Conditional Sale Agreement, in which event all of Vendee's rights, title and interest in and to the Management Agreement hereby assigned shall terminate forthwith.

SECTION 12. In the event that the Agent has actual notice of an Event of Default under the Management Agreement, the Agent will give prompt notice to the Vendee of such Event of Default.

SECTION 13. The Agent agrees to furnish to the Vendee such information, statements and reports which the Vendee may reasonably request for the purpose of the Vendee carrying out its powers, obligations, and duties under the Management Agreement, or as will enable the Vendee to prepare tax returns; and the Agent will make available at reasonable

times for review or copying such books and records relating to the Equipment as the Vendee may reasonably request.

The Agent agrees to furnish to the Vendee copies of all notices, statements, documents, or schedules received by it under the Management Agreement, the Management Agreement Assignment, of the Conditional Sale Agreement and the Vendee shall cause similar copies to be delivered to the Agent if received by the Vendee.

IN WITNESS WHEREOF, the parties hereto, pursuant to due corporate authority, have caused this instrument to be executed in their respective corporate names by duly authorized officials, and their respective corporate seals to be hereunto affixed and duly attested, all as of the date first above written.

HILLMAN MANUFACTURING COMPANY

Witness:

A. Vaughan Blaxter

BY:

Steven N. Hutchinson
Steven N. Hutchinson, Vice-President

THE PROVIDENT BANK, Agent

Witness:

Kimberly Williamson

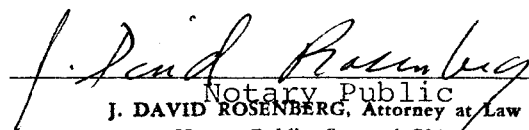
BY:

J. Lynn Brewbaker
J. Lynn Brewbaker, Assistant
Vice-President

STATE OF OHIO)
 :SS.
COUNTY OF HAMILTON)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared J. LYNN BREWBAKER, ASSISTANCE VICE-PRESIDENT, of THE PROVIDENT BANK, the corporation which executed the foregoing instrument, who acknowledged he did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

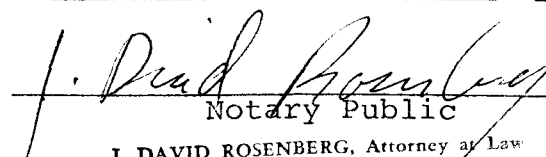
IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed my Notarial Seal this 31st day of October 1978.


Notary Public
J. DAVID ROSENBERG, Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date
Section 147.03 O. R. C.

STATE OF OHIO)
 :SS.
COUNTY OF HAMILTON)

BEFORE ME, the Subscriber, a Notary Public in and for said County and State, personally appeared STEVEN N. HUTCHINSON, VICE PRESIDENT, of THE HILLMAN MANUFACTURING COMPANY, the corporation which executed the foregoing instrument, who acknowledged he did sign said instrument as such officer on behalf of said corporation, and by authority of its Board of Directors, and that the execution of said instrument is his free and voluntary act and deed individually and as such officer, and the free and voluntary act and deed of said corporation.

IN TESTIMONY WHEREOF, I have hereto subscribed my name and affixed my Notarial Seal this 31st day of October 1978.


Notary Public
J. DAVID ROSENBERG, Attorney at Law
Notary Public, State of Ohio
My Commission has no expiration date
Section 147.03 O. R. C.

ACKNOWLEDGMENT OF NOTICE OF ASSIGNMENT

Receipt of a copy of, and due notice of the Assignment made by, the foregoing Management Agreement Assignment is hereby acknowledged as of October 31, 1978.

DETROIT AND MACKINAC RAILWAY COMPANY

BY Charles A. Pinkerton III
Charles, A. Pinkerton III, Vice-President

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